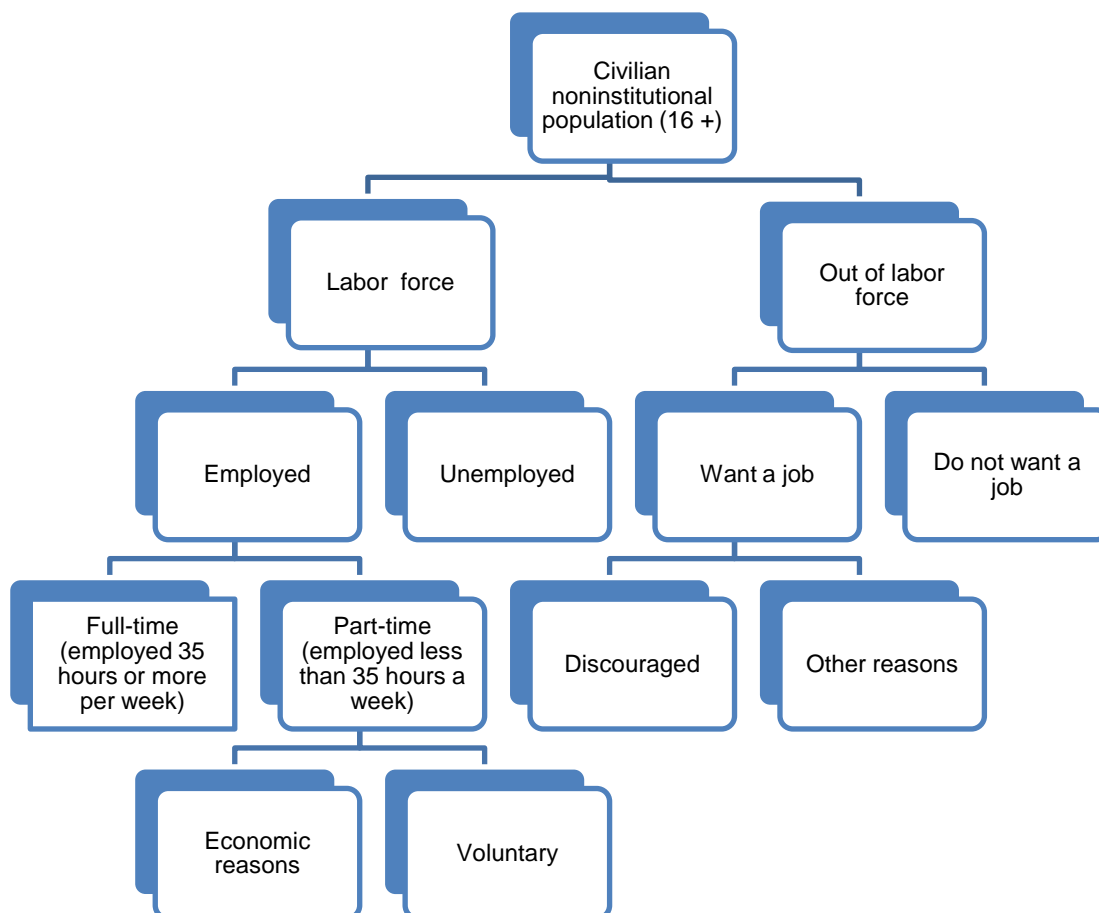


Labor Market Information Glossary: Our glossary defines our most commonly used terms and jargon in the workforce and labor market information world.

Labor Force Concepts Diagram



BUREAU OF LABOR STATISTICS: A bureau in the U.S. Department of Labor that produces information on employment statistics.

COVERED EMPLOYMENT: A count of employed persons whose employment is covered by the Unemployment Insurance program (a near-census count of all employment). Excluded from coverage in the State of North Dakota are: the self-employed (farm and nonfarm sectors); farms that employ less than ten workers for less than 20 weeks in a calendar year; all railroad transportation employment; student workers; individuals working for religious organizations or church-related elementary and secondary schools; elected public officials at the Federal, State, or Local levels of government; and most domestic and private household workers. Data are extracted from quarterly contribution reports filed by employers. Covered employment follows the payroll concept definition of employment. [Affiliated statistical programs: OES, QCEW]

CURRENT POPULATION SURVEY (CPS): A nationwide monthly household survey conducted by the U.S. Census Bureau for the Bureau of Labor Statistics. The sample consists of approximately 60,000 households selected to represent the U.S. population 16 years of age and older. The survey of the

civilian noninstitutional population provides monthly statistics on employment, unemployment, and related subjects which are analyzed and published by the Bureau of Labor Statistics. [Affiliated statistical program: LAUS]

DISCOURAGED UNEMPLOYED: An unemployed person who thinks it is impossible to find a job so he or she does not seek employment. These persons are not included in the State or Bureau of Labor Statistics definition of unemployed because they are not actively seeking work.

EMPLOYED PERSONS: All those who, during the reference week, did any work as paid employees in their own business, profession or farm; those who worked unpaid 15 hours or more in a family enterprise; or those who had jobs but were not working because of illness, bad weather, vacation, strike or personal reasons—regardless of whether they were paid or were seeking other employment. In the labor force concept even though persons may have held more than one job they are counted only once during the reference period—at the job they worked the most hours. [Affiliated statistical program: LAUS]

EMPLOYMENT (PAYROLL CONCEPT): An estimate of nonfarm wage and salary employment representing a count of jobs rather than workers, counting jobs at the place of business. Multiple jobholders are counted for each job. Coverage exclusions generally include: domestics and other private household workers, self-employed persons, unpaid workers, and most agricultural workers. Also see "Definitional Differences Between Labor Force and Payroll Concepts of Employment." [Affiliated statistical programs: CES, QCEW]

ESTABLISHMENT: An establishment is defined as the smallest operating business unit for which information can be provided on the cost of resources, materials, labor, and capital employed to produce output. An establishment is generally a single, physical location where business is conducted or where services or industrial operations are performed (e.g. store, factory, farm, etc.). [Affiliated statistical programs: CES, QCEW]

FISCAL YEAR: A twelve-month period between settlement of financial accounts. Starting in 1976, the U.S. Government fiscal year begins on October 1 and ends on September 30. Previously, the Federal fiscal year began on July 1 and ended on June 30. The State of North Dakota fiscal year runs from July 1 through June 30.

GOODS-PRODUCING INDUSTRIES: A grouping of industrial supersectors including: Natural Resources and Mining; Construction; and Manufacturing.

INDUSTRY: Defines a classification of establishments according to the similarity in their processes used to produce goods or services. The North American Industry Classification System (NAICS) dictates the numerical classification of these activities.

JOB SERVICE NORTH DAKOTA: State agency involved in helping people find employment and administering unemployment compensation programs as well as compiling labor market information.

LABOR FORCE (CIVILIAN): Represents that part of the noninstitutionalized population 16 years of age and older who are employed or unemployed as derived on a person-by-residence basis. It counts persons, not jobs, so a person holding more than one job is counted only once so the effects of commuting into and out of an area are negated. The monthly Current Population Survey (CPS) conducted by the U.S. Census Bureau for the Bureau of Labor Statistics yields labor force data, as does the decennial Census. [Affiliated statistical program: LAUS]

LABOR FORCE PARTICIPATION RATE: Represents the number who are in the labor force for every 100 noninstitutionalized persons in the population that are 16 years of age and older. A participation

rate of 62.1 means that 62.1 percent of the noninstitutionalized population 16 years and older is in the labor force (that is, either employed or unemployed). [Affiliated statistical program: LAUS]

LABOR MARKET INFORMATION (LMI): That body of information that deals with the functioning of labor markets and the determination of the demand or supply of labor. It includes, but is not limited to, such key factors as changes in the level and/or composition of economic activity, the population, employment and unemployment, income and earnings, wage rates, and fringe benefits. Additionally, it concerns itself with the effects that changes in technology and production processes have on the demand for labor and, correspondingly, the effects education, mobility, the work ethic, and income from work and nonwork have on the supply of labor.

METROPOLITAN STATISTICAL AREA (MSA): Metropolitan Statistical Areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting patterns. MSAs are defined in terms of whole counties or equivalent entities.

MICROPOLITAN STATISTICAL AREA (MICROSA): Micropolitan Statistical Areas have at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting patterns. Micropolitan Statistical Areas are defined in terms of whole counties or equivalent entities.

NONFARM WAGE AND SALARY EMPLOYMENT: Refers to all full-time and part-time employees on establishment payrolls during the survey week (pay period including the 12th of the month) regardless of where they live. Self-employed, unpaid family workers, domestic helpers, agricultural workers and workers involved in labor-management disputes are excluded. Multiple jobholders are counted for each job. Estimates include workers who are paid wages, salaries, bonuses, commissions, payment in kind, incentive payment, and tips. Also see "Employment (Payroll Concept)." [Affiliated statistical program: CES]

NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS): NAICS is an industry classification system that groups establishments into industries based on the activities in which they are primarily engaged. It is a comprehensive system covering the entire field of economic activities—producing and non-producing. The structure of NAICS is hierarchical; there are 2 domains, 11 supersectors, 20 sectors, and 1,196 industries. NAICS was developed to provide common industry definitions for Canada, Mexico, and the United States that will facilitate economic analyses of the economies of the three North American countries. The statistical agencies in the three countries produce information on inputs and outputs, industrial performance, productivity, unit labor costs, and employment. NAICS, which is based on a production-oriented concept, ensures maximum usefulness of industrial statistics for these and similar purposes. [Affiliated statistical program: CES, Projections, QCEW]

OCCUPATION: A set of activities or tasks that employees are paid to perform. Employees that perform essentially the same tasks are in the same occupation, whether or not they work in the same industry.

PLANNING REGION: Per a 1969 Executive Order, North Dakota divided the state into eight Planning Regions made up of groupings of entire counties anchored around recognized regional city centers in order for all state agencies to follow a standardized system of statistical reporting to be used in future planning and administration of state services.

REFERENCE WEEK: The time period covered in the Current Population Survey (CPS) and used by all State Workforce Agencies as a reference period for employment and unemployment estimates. The calendar week Sunday through Saturday, which includes the 12th day of the month, has been

designated as the reference week because it fulfills the conditions of the period that must be short enough so that the data obtained are "current," but not so short that the occurrence of holidays or accidental events might cause erratic fluctuations in the information obtained. [Affiliated statistical programs: LAUS, CES]

SEASONAL ADJUSTMENT: Seasonal adjustment is a statistical technique that attempts to measure and remove the influences of predictable seasonal patterns (e.g. changes in weather, harvests, major holidays, school schedules, etc.) to reveal how employment and unemployment change from month to month. This adjustment reflects a regularly recurring seasonal movement on economic statistics which is estimated on the basis of past experience. It is important to note that seasonal adjustment is merely an approximation.

SERVICE-PROVIDING INDUSTRIES: A grouping of industrial supersectors including: Wholesale Trade; Retail Trade; Transportation, Warehousing, and Utilities; Information; Financial Activities; Professional and Business Services; Educational and Health Services; Leisure and Hospitality; Other Services; and Public Administration.

STANDARD OCCUPATIONAL CLASSIFICATION (SOC) SYSTEM: The SOC system is used to classify all occupations in the economy, including private, public, and military occupations. It is designed to cover all occupations in which work is performed for pay or profit, reflecting the current occupational structure in the United States. To facilitate classification, occupations are combined to form 23 major groups, 96 minor groups, and 449 broad occupations. Each broad occupation includes detailed occupation(s) requiring similar job duties, skills, education, or experience. [Affiliated statistical program: OES, Projections]

UNDEREMPLOYED: People working at jobs below their skill or experience level or are working part-time and want full-time employment.

UNADJUSTED DATA: Data that has not undergone any seasonal adjustments (i.e. not seasonally adjusted data).

UNEMPLOYED PERSONS: For labor force estimates, all persons who did not work during the survey week who made specific efforts to find a job within the past four weeks, and who were available for work during the mid-week (except for temporary illness). Also included are those who did not work, were available, and were waiting to be called back from a layoff or were waiting to start a new job within 30 days. Not all persons 16 years and older are unemployed if not working. One must be actively looking and available for work in order to qualify. Otherwise, these persons are not in the labor force. Unemployed persons may be so by virtue of being laid off or having quit a job. [Affiliated statistical program: LAUS]

U.S. CENSUS BUREAU: A division within the Department of commerce that is responsible for administering and reporting the various censuses that are undertaken by the federal government.

UNEMPLOYMENT RATE: The unemployment rate is the number unemployed as a percent of the labor force and is computed: $(\text{Unemployed} / \text{Employed and Unemployed}) \times 100 = \text{Unemployment Rate}$. [Affiliated statistical program: LAUS]

WORKFORCE INTELLIGENCE: Workforce intelligence is a concept that expands the "traditional" view of labor market information (labor market information is a subset of workforce intelligence). Potentially, workforce intelligence collects additional data elements outside the current scope of labor market information methods, including expanded local supply/demand data, emerging worker supply characteristics data, and quality of life information.